The Organic Corporate State

By Zoltanous

The Roots of Corporatism

Corporatism is an essential part of Fascism but Corporatism isn't always Fascist. Fascism is simply one school of Corporatism, other types of Corporatism are Distributism, Original Keynesianism, Mercantilism, Guild Socialism, and National Syndicalism. Corporatism shouldn't be associated with the meaning of "corporations" because it's not a private business. It's an ancient socio-political theory dating back to Greece with Plato and Aristotle along with Roman law, medieval social and legal structures, Hegel, and contemporary Catholic social philosophy. At its core, corporatism advocates for the organization of the economy – or society as a whole – in corporate groups (guilds).

By John Keynes

Source: The End of Laissez-faire

"I believe that in many cases the ideal size for the unit of control and organisation lies somewhere between the individual and the modern State. I suggest, therefore, that progress lies in the growth and the recognition of semi-autonomous bodies within the State - bodies whose criterion of action within their own field is solely the public good as they understand it, and from whose deliberations motives of private advantage are excluded, though some place it may still be necessary to leave, until the ambit of men's altruism grows wider, to the separate advantage of particular groups, classes, or faculties - bodies which in the ordinary course of affairs are mainly autonomous within their prescribed limitations, but are subject in the last resort to the sovereignty of the democracy

expressed through Parliament. I propose a return, it may be said, towards medieval conceptions of separate autonomies."

Corporatism arose as a fully formulated ideal in the early 19th-century when Aristocratic conservatives and Romantics, reacting against capitalism and industrialization, raised "medieval" banners of organic social theory, paternal kings, and craftsmen's guilds. An early and important theorist of corporatism was Adam Müller, an advisor and court philosopher for Prince Klemens Metternich in what is now Austria. Müller propounded his views as an antidote to the twin dangers of the egalitarianism of the French Revolution and the laissez faire economics of Adam Smith. Although roughly equivalent to the feudal classes, its Stände "estates" were to operate as guilds each controlling a specific function of economic life. Müller's theories were buried with Metternich, but after the end of the 19th century they gained in popularity. In Europe his ideas served movements analogous to Guild Socialism. In France, Germany, Austria, and Italy, supporters of Christian Distributism revived the theory of corporate guilds in order to combat the Marxist and laissez faire conception of economics. The most systematic expositions of the theory were by the Austrian economist Othmar Spann and the Italian leader of Christian democracy Giuseppe Toniolo. In Europe there was a distinct aversion among rulers to allow markets to function without direction or control by the state. The general cultural heritage of Europe from the medieval era was opposed to individual self-interest and the free operation of markets. Markets and private property were only acceptable as long as social regulation took precedence over such sinful motivations as greed.

Coupled with the anti-market sentiments of medieval culture there was the notion that the rulers of the state had a vital role in promoting social justice. Thus corporatism was formulated as a system that emphasized the positive role of the state in guaranteeing social justice and suppressing the moral and social chaos of the population pursuing their own individual self-interests, and above all else, as a political economic philosophy corporatism was flexible. Corporatism has been labeled as a Third Position or more commonly referred to as a mixed economy, a synthesis of capitalism and socialism, but it is in fact a separate, distinctive political economic system.

The historic links between corporatism and christianity goes all the way back to St. Paul the Apostle within the Catholic faith, who wrote the following in 1 Corinthians 12:

"12. For as the body is one, and hath many members; and all the members of the body, whereas there are many, yet are one body, so also is Christ.
13. For in one Spirit were we all baptized into one body, whether Jews or Gentiles, whether bond or free; and in one Spirit we have all been made to drink.
14. For the body also is not one member, but many.
15. If the foot should say, because I am not the hand, I am not of the body; is it therefore not of the body?
16. And if the ear should say, because I am not the eye, I am not of the body; is it therefore not of the body?
17. If the whole body were the eye, where would be the hearing? If the whole were hearing, where would be the smelling?
18. But now God hath set the members every one of them in the body as it hath pleased him.
19. And if they all were one member, where would be the body?
20. But now there are many members indeed, yet one body.
21. And the eye cannot say to the hand: I need not thy help; nor again the head to the feet: I have no need of you.
22. Yea, much more those that seem to be the more feeble members of the body, are more necessary.
23. And such as we think to be the less honourable members of the body, about these we put more abundant honour; and those that are our uncomely parts, have more abundant comeliness.

24. But our comely parts have no need: but God hath tempered the body together, giving to that which wanted the more abundant honour,
25. That there might be no schism in the body; but the members might be mutually careful one for another.
26. And if one member suffers anything, all the members suffer with it; or if one member glory, all the members rejoice with it.
27. Now you are the body of Christ, and members of members.
28. And God indeed hath set some in the church; first apostles, secondly prophets, thirdly doctors; after that miracles; then the graces of healing, helps, governments, kinds of tongues, interpretations of speeches.
29. Are all apostles? Are all prophets? Are all doctors?
30. Are all workers of miracles? Have all the grace of healing? Do all speak with tongues? Do all interpret?
31. But be zealous for the better gifts. And I shew unto you yet a more excellent way."

Christianity's link to corporatism is biblical, something overlooked by the more modern liberal forms of christianity. In 1881 Pope Leo XIII, sought to expand understanding of corporatism and refine it into something more tangible. In 1884 in Freiburg, the commission declared that corporatism was a "system of social organization that has at its base the grouping of men according to the community of their natural interests and social functions, and as true and proper organs of the state they direct and coordinate labor and capital in matters of common interest. One of the main characteristics of corporatism is economic tripartism involving negotiations between business, labour, and state interest groups to establish economic policy.

Leo penned what is – in the author's humble opinion – one of the greatest philosophical works of the modern era: Rerum Novarum: Rights and Duties of Capital and Labor. Rerum Novarum, among other things, puts forth that neither employer nor employer is above the other, that both are as important as the other and that their cooperation is necessary for the betterment of society. It advocates that just as the employee is compelled to perform adequately at their job, so too is the employer compelled to provide adequate wages and conditions. Further, it affirms the natural right of the institution of private property and ownership of industry, while recognizing the need for state intervention in industry. This is a far cry from socialism – which Leo condemns and attacks repeatedly in the encyclical, along with rampant capitalism – which advocates for the destruction of class hierarchy and proletariat dominance over industry.

Reconstruction of the Social Order by Pope Pius XI. Whereas Leo XIII addressed the working and economic conditions of workers, Pius XI addressed society as a whole. QA was an incredibly influential document, receiving praise and admiration from politicians across the globe, from Mussolini to Salazar. QA discusses tripartite corporatism, a then-novel form which split society into three corporate groups: government, industry, and labor. This was the model adopted by most corporate states of the era. Though the modern church is quite different from Leo XIII's or Pius XI's, it cannot be ignored that corporatism is ingrained in the very foundation of the faith.

The Four Core Foundations of Corporatism

- These ideas are based on the premise that man's nature can only be fulfilled within a political community.
- It seeks to balance the society with the individual needs to create the cooperative system.
- The collectivism here in the Corporatist tradition is based upon Ethical Altruism, a type of Paternalism.
- The state in the corporatist tradition is thus clearly interventionist and therefore must be powerful

By Hegel

Source: The Philosophy of Right; The Corporation:

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The agricultural estate, in view of the substantiality of its natural and family life, has within itself, in immediate form, the concrete universal in which it lives. The Universal estate, by definition, has the universal for itself as its basis and as the end of its activity. The intermediate estate, i.e. the estate of trade and industry, is essentially concerned with the particular, and the corporation is therefore especially characteristic of it.

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The work performed by civil society is divided into different branches according to its particular nature. Since the inherent likeness of such particulars, as the quality common to them all, comes into existence in the association, the selfish end which pursues its own particular interest comprehends and expresses itself at the same time as a universal end; and the member of civil society, in accordance with his particular skill, is a member of a corporation whose universal end is therefore wholly concrete, and no wider in scope than the end inherent in the trade which is the corporation's proper business and interest.

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By this definition, the corporation has the right, under the supervision of the public authority, to look after its own interests within its enclosed sphere, to admit members in accordance with their objective qualification of skill and rectitude and in numbers determined by the universal context, to protect its members against particular contingencies, and to educate others so as to make them eligible for membership. In short, it has the right to assume the role of a second family for its members, a role which must remain more indeterminate in the case of civil society in general, which is more remote from individuals and their particular requirements.

The tradesman is distinct from the day labourer, as he is from someone who is prepared to perform an occasional contingent service. The former, who is - or wishes to become a master, is a member of an association not for occasional contingent gain, but for the whole range and universality of his particular livelihood. Privileges, in the sense of rights of a branch of civil society which constitutes a corporation, are distinct from privileges proper in the etymological sense, I in that the latter are contingent exceptions to the universal law, whereas the former are no more than legally fixed determinations which lie in the particular nature of an essential branch of society itself.

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In the corporation, the family not only has its firm basis in that its livelihood is guaranteed - i.e. it has secure resources - on condition of its [possessing a certain] capability, but the two [i.e. livelihood and capability] are also recognized, so that the member of a corporation has no need to demonstrate his competence and his regular income and means of support - i.e. the fact that he is somebody - by any further external evidence. In this way, it is also recognized that he belongs to a whole which is itself a member of society in general, and that he has an interest in, and endeavours to promote, the less selfish end of this whole. Thus, he has his honour in his estate.

As a guarantor of resources, the institution of the corporation corresponds to the introduction of agriculture and private property in another sphere. When complaints are made about that luxury and love of extravagance of the professional classes which is associated with the creation of a rabble, we must not overlook, in addition to the other causes [of this phenomenon] (e.g. the increasingly mechanical nature of work), its ethical basis as implied in what has been said above. If the individual is not a member of a legally recognized corporation (and it is only through

legal recognition that a community becomes a corporation), he is without the honour of belonging to an estate, his isolation reduces him to the selfish aspect of his trade, and his livelihood and satisfaction lack stability. He will accordingly try to gain recognition through the external manifestations of success in his trade, and these are without limit, because it is impossible for him to live in a way appropriate to his estate if his estate does not exist; for a community can exist in civil society only if it is legally constituted and recognized. Hence, no way of life of a more general kind appropriate to such an estate can be devised. - Within the corporation, the help which poverty receives loses its contingent and unjustly humiliating character, and wealth, in fulfilling the duty it owes to its association, loses the ability to provoke arrogance in its possessor and envy in others; rectitude also receives the true recognition and honour which are due to it.

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In the corporation, the so-called natural right to practise one's skill and thereby earn what there is to earn is limited only to the extent that, in this context, the skill is rationally determined. That is, it is freed from personal opinion and contingency, from its danger to oneself and others, and is recognized, guaranteed, and at the same time raised to a conscious activity for a common end.

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The family is the first ethical root of the state; the corporation is the second, and it is based in civil society. The former contains the moments of subjective particularity and objective universality in substantial unity; but in the latter, these moments, which in civil society are at first divided into the internally reflected particularity of need and satisfaction and abstract legal universality, are inwardly united in such a way that particular welfare is present as a right and is actualized within this union.

Remark: The sanctity of marriage and the honour attaching to the corporation are the two moments round which the disorganization of civil society revolves.

When the corporations were abolished in recent times, it was with the intention that the individual should look after himself. But even if we accept this, the corporation does not affect the individual's obligation to earn his living. In our modem states, the citizens have only a limited share in the universal business of the state; but it is necessary to provide ethical man with a universal activity in addition to his private end. This universal [activity], which the modern state does not always offer him, can be found in the corporation. We saw earlier that, in providing for himself, the individual in civil society is also acting for others. But this unconscious necessity is not enough; only in the corporation does it become a knowing and thinking part of ethical life. The corporation, of course, must come under the higher supervision of the state, for it would otherwise become ossified and set in its ways, and decline into a miserable guild system. But the corporation in and for itself is not an enclosed guild; it is rather a means of giving the isolated trade an ethical status, and of admitting it to a circle in which it gains strength and honour.

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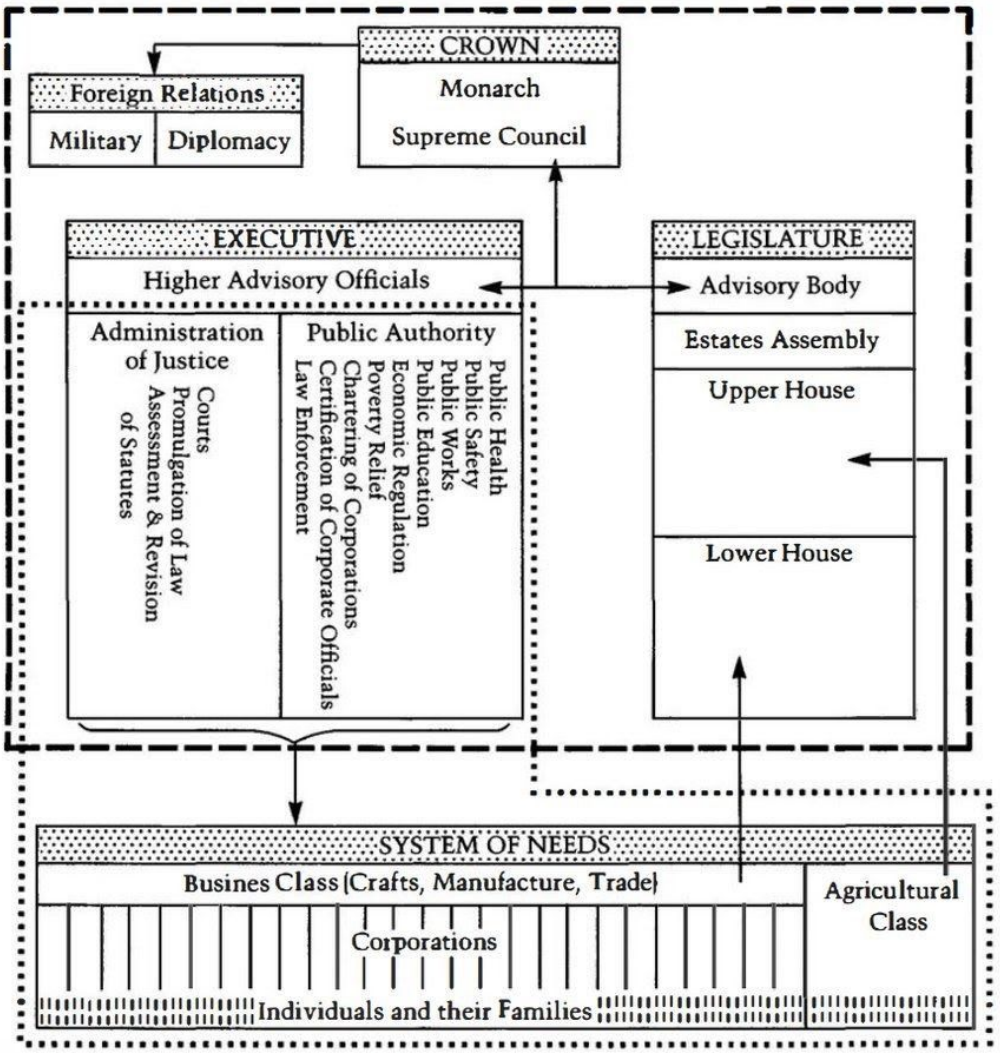
The end of the corporation, which is limited and finite, has its truth in the end which is universal in and for itself and in the absolute actuality of this end. So likewise do the separation and relative identity which were present in the external organization of the police. The sphere of civil society thus passes over into the state.

Organizational Diagram of Hegel's State



Syndicalism:

Similar organizational concepts came from the Left. Connecting Pierre-Joseph Proudhon's federalism with socialism and industrial and trade unionism, syndicalism proposed to organize society through local and partly autonomous workers' collectives federated into national associations realizing the unity of each industry or occupation. Having sidelined the capitalists, those units would eventually replace the state.

Guild Socialism:
A kind of middle-ground ideology arose in Britain, associated with John Ruskin, A.J. Penty, A.R. Orage, R.H. Tawney, and partly overlapping with G.K. Chesterton and Hilaire Belloc's Distributism. Here renovated guilds would unite labor with capital goods outside the logic of capitalism. "Pluralism," an Anglo-American social theory related to Guild Socialism, flourished between the world wars and centered on group autonomy while downplaying the state.

By Kerry Bolton

Source: The Corporatist Answer
"The organic state is not something confined to time and place; it has arisen in the recent past, and could arise again.

When a state descends into chaos and bankruptcy, of either the economic or the moral kind, there can be a reaction by the remaining healthy parts of the people toward regeneration. Oswald Spengler referred in The Decline of the West to this epoch as a return of 'Caesarism' and the overthrow of plutocracy. While it is a reaction it is nonetheless revolutionary, because the state of decay is so far advanced that only a radical change, not just in the structures of governance, but in the psychology of the people, is required. It is literally a 'revolution', insofar as it seeks a return to origins.

In the epoch of decay of Western Civilisation – which has been proceeding via such transformations as the Reformation, including that of Henry VIII, the 'Glorious Revolution', the Cromwellian Revolution, the Jacobin Revolution, the Industrial Revolution, the American Revolution, and the revolutions of 1848 – each step further undermined the social order and paved the way, usually in the name of 'the people', for an increase in the influence of commercial interests, until the stage of plutocracy (rule of money) is reached.

Role of the Bourgeoisie:
The French Revolution of 1789 was pivotal and its impact has only increased over the world. From this revolution arose both liberal capitalism and the Left. They went hand-in-hand. The Revolution abolished the final vestiges of the Medieval guilds in France under the Chapelier Law of 1791. Even as these forefathers of 'socialism' enacted the free market, standards of production markedly declined and there began to grow a widespread dissatisfaction with such 'liberty'. Such was the concern at this destruction of the guilds (or corporations) that the National Assembly in 1795 reiterated they would not be revived, and the prohibition became Article 355 of the Constitution, which meant that a constitutional amendment would be required to reverse the law. In the people's utopia of Revolutionary France, the guild era was recalled as one of happiness and plenty. Lacking stability, fraternity (despite the ironic slogan of the Revolution being: 'Liberty, Equality, Fraternity') and the higher purpose that the guilds offered, worker unrest was widespread. The supposed people's representatives expressed concern at mounting worker 'insubordination'. There was prolonged debate on the reconstitution of the guilds under Napoleon Bonaparte, but ultimately the laissez-faire radicals won.1

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It is historically significant to note (but not much understood by academics, journalists, and other hacks) that the destruction of the guilds was initiated by the Left, as was free market economics. When the 'Right' is today

described as being synonymous with capitalism and free trade, this is nonsense. Karl Marx regarded Free Trade as ‘subversive’ and protectionism as ‘conservative’, and therefore supported Free Trade as a necessary phase of the historical dialectic towards Communism. Marx was particularly vehement about those he called ‘reactionists’ who aimed to re-establish the guilds. Marx noted that they included artisans, peasants, aristocrats, priests and burghers; a true social and class collaboration united against plutocracy. All these classes had a common enemy in unrestrained industrialism and the banks behind it, which had destroyed the rural economy, the village economy, dislocated the peasantry and artisans and resulted in overcrowded cities populated by an alienated proletariat, without bonds of Church, village and guild. None of this Marx wanted restored. To bring it back to life would be equivalent to halting the dialectical march of history towards Communism.2

Marx wrote in The Communist Manifestothat ‘the bourgeoisie, historically, has played a most revolutionary part’, put an end to the feudal ‘idyllic relations’, ‘stripped of its halo every occupation hitherto honoured’. The bourgeoisie cannot exist ‘without constantly revolutionising the instruments of production’.3 The Marxist calls this ‘progress’. So does the bourgeoisie, as the instrument of this disruption. The difference between the classic Liberal and the Marxist is that the Marxist aims to secure the bourgeois revolutionary role for the proletariat as the next phase of the historical dialectic.

The Right saw nothing commendable in this. One does not regard cancer as a desirable form of progress simply because it changes the cells of an organism. Class struggle is literally a cancer of the social organism. The physician aims to restore the health of an organism, not celebrate the cancer as desirable on account of the alterations it affects. The Right sought to restore the health of the organism. Elements of the Left realised that Marxism and Liberalism are born from the same outlook. To confront the crisis of the modern industrial age, they coalesced into what is generically called ‘Fascism’. That was why scholars such as Zeev Sternhell say that Fascism is ‘neither Left nor Right’. It was a synthesis; it aimed at transcendence.

It is apt that the resistance to the triumph of commerce over social order was started in France, where much of the rot of modern capitalism originated via the French Revolution. The workers attempted to reconstitute social bonds via trades unions, and the result was class war against those forces that had also been dislocated by the revolution. The added irony was that the workers turned to the Left which had helped to inaugurate the modern capitalist era, having adopted English Liberal doctrines, which are now assumed to be ‘Right-wing’.

Crisis of the Left:

Sternhell makes a convincing case for ‘Fascism’ having been born in France, and among Francophones further afield (Neither Left Nor Right: Fascist Ideology in France, 1996). There were Leftists who regarded the Marxian and other such forms of socialism as inadequate, and historical analyses based on economic reductionism and dialectical materialism, as insufficient. They saw that such ‘socialism’ was an attempt to appropriate the bourgeois capitalist spirit for the worker rather than to transcend that outlook.

Henri de Man, leader of the Belgian Labour Party went so far as to welcome the German occupation as an answer to the bourgeois Zeitgeist of the prior century. De Man, despite his turn to ‘Fascism’, is still regarded as an important theorist of socialism and critic of Marxism, his ‘neosocialism’ (also known as ‘planism’) being a significant ideological factor among the Francophone Left that turned to Fascism. Marxism, De Man stated, reduces man ‘to the level of a mere object among the objects of his environment, and these external historical “relationships” are held to determine his volitions and to decide his objectives’.

The world war has led to so many social and political transformations that all parties and all ideological movements have had to undergo modification in one direction or another, in order to adapt themselves to the new situation.

For many socialists who rejected Marx, World War I was a seminal event in their outlook. Fascism arose among returning soldiers of all nations who wanted to continue the camaraderie of the frontline in peacetime, in what British Fascist leader, and former Labour Party notable, Sir Oswald Mosley aptly called the 'socialism of the trenches'. De Man wrote in The Psychology of Marxian Socialism(1928):

The war, in which I participated as a Belgian volunteer, shook my Marxist faith to its foundations. It is war-time experience which entitles me to say that my book has been written with blood, though I cannot myself be certain that I have been able to transform that blood into spirit. The conflict of motives whose upshot was that I, an ardent antimilitarist and internationalist, felt it my duty to take up arms against Germany; my disillusionment at the collapse of the International; the daily demonstration of the instinctive nature of mass impulses thanks to which even socialist members of the working class had their minds poisoned with the virus of nationalist hatred; my growing estrangement from most of my sometime Marxist associates, who went over to the bolshevik camp – thanks to all these influences conjoined, I was racked with doubts and scruples whose echoes will be heard in this book.4

De Man had been one of the primary ideologues of Marxism. After the First World War he withdrew from politics for several years to reflect on his thoughts and life. He concluded that what was required was not merely to 'revise' or 'adapt' Marxism, but to liquidate it.5

In France, Socialist Party leader Marcel Déat, Anarcho-Syndicalist George Valois, and Communist party ex-Mayor of Paris Jacques Doriot were among the leaders of French Fascism. Sir Oswald Mosley had resigned as the up-and-coming star of the Labour Party due to the inaction of orthodox socialism and founded the British Union of Fascists in 1932, based on his proposals to revive Britain that had been rejected by the Labour government. Mussolini had been a leader of the Socialist Party, and many of his comrades in the Fascio founded directly after the war had come from the syndicalist Left. They did not leave the orthodox Left and join Fascism merely through a sudden fixation of wanting to establish concentration camps, suppress trades unions and install a military junta, as the stereotypical depiction of 'fascism' simplistically insists. Of this post-war situation for socialists, De Man stated:

It is not surprising that socialism is in the throes of a spiritual crisis. The world war has led to so many social and political transformations that all parties and all ideological movements have had to undergo modification in one direction or another, in order to adapt themselves to the new situation. Such changes cannot be effected without internal frictions; they are always attended by growing pains; they denote a doctrinal crisis.6

Marxism remained 'rooted in the philosophical theories that were dominant during the middle decades of the nineteenth century, theories which may provisionally be summarised in the catchwords determinism, causal mechanism, historicism, rationalism, and economic hedonism',7 De Man wrote. So far from the bourgeois being increasingly proletarianised due to the crisis of capitalism, as Marx had predicted in The Communist Manifesto, De Man saw that 'the working class is tending to accept bourgeois standards and to adopt a bourgeois culture'.8 'In the last analysis, the reason why the bourgeoisie is the upper class today, is that everyone would like to be a bourgeois'.9 Today more than ever it is clear that the historical dialectic has not unfolded in the manner Marx predicted. The 'cult of the masses', was an invention of bourgeois intellectuals, including Marx, who were remote from the masses;10 a 'relapse into the naivety of the outworn primitive democratic adoration of the crowd'.11 The Western masses are thoroughly bourgeois in temperament and desires.

In comparing the pre-capitalist guild era of the Medieval epoch with the capitalist era of production De Man pointed out that,

The essence of the charge brought by Marxism against capitalism is that the capitalist method of production has divorced the producers from the means of production. In actual fact, capitalism has done something much more serious; it has divorced the producer from production, the worker from the work. In this way it has engendered a distaste for work which is often increased rather than diminished by an improvement in the material circumstances of life, and cannot be cured by any mere change in property relationships.

Especially conspicuous is the contrast between the industrial worker of today and the medieval artisan who was a member of his craft guild. The handicraftsman of the Middle Ages might or might not be the owner of his house, his workshop, or his booth; his position might be a good one, financially speaking, or the reverse. But at least he was a master of his own work. …

The craftsman of the Middle Ages took delight in his work; he lived in his work; for him, his work was a means of self-expression.12

It is this detachment of the worker from his work that the Fascist sought to redress by a return to the guilds or corporations; work had been seen as a spiritual calling during the Medieval era. In the corporatist constitutions of many states, from Italy to Brazil, the aim was to reconnect the worker to his work with the return of an ethos that had been obliterated by industrialism and the bourgeoisie revolutions. It was not ownership that was the problem; it was how such ownership was utilised. The corporatist constitutions stated that private property has a 'social function'. Even the owner in the corporatist state remains a custodian of what he owns, and this can be forfeited by the State should he fail to serve the common interest. Yet the accusation against Fascism is that it was the 'last resort in the defence of capitalism'. Spengler saw to the contrary that it is Marxism that reflects the spirit of money, that seeks to appropriate capitalism rather than to overcome it.

De Man dealt directly with the workers, and often through his own lack of understanding, was taught many lessons on the workers' ethos that would be regarded as 'reactionism' by those too imbued with the bourgeoisie outlook, such as Marx, to understand. At one such point De Man alludes to the personal attachment tradesman had to their own old toolboxes, an ethos that goes beyond the comprehension of Marxian doctrine.13Such realisation is the basis of corporatist thought. De Man stated that Marxist theories about working class solidarity lacked an ethos, and were mechanistic. They sought to build something merely on the basis of modes of production. This is the 'economic man', the 'hedonist' and 'egoist'.14 The desire for solidarity was born not from this bourgeois outlook, but from the instinct that had existed during the Medieval era; one of Christian ethos; of 'craft fraternity' defended by the guilds.15 Socialism, said De Man, should aim to revive a social ethos that was instinctive, not mechanistic.16 De Man alluded to two postulates that serve as an ethical basis for a 'new socialism', that was also the foundation of the corporatist ethos: '1. Vital values are higher than material values; and of vital values, spiritual values are the highest. … 2. The motives of community sentiment are higher than the motives of personal power and personal acquisition.'17

An additional factor in the fallacy of Marxism was that especially since the First World War the proletariat had become more national and less international.18 Machinery and modes of production19 might indeed be international and what is today called globalisation shows that capital is internationalising as Marx predicted. But people are more than their modes of production, although orthodox socialism thinks otherwise. De Man saw the socialist movement as intrinsically national and the proletariat as more than a globule of putty to be moulded for the purposes of production, whether by Liberalism or Marxism:

The French revolution, which was the supreme struggle on the continent of Europe for the realisation of the political demands of the bourgeoisie, was (so thought the revolutionists) to culminate in a universal rising of the peoples

against the despots, and to make the Declaration of the Rights of Man the constitution of the whole human race. The Goddess of Reason, in whose honour the revolution set up its altars, was to become the deity of all mankind.20

National sentiment is an integral part of the emotional content of the socialism of each country. It grows in strength in proportion as the lot of the working masses of any country is more closely connected with the lot of that country itself; in proportion too as the masses have won for themselves a larger place in the community of national civilisation. At bottom, this partial absorption of socialist sentiment by national sentiment need not surprise us. We have merely to recognise that it is the return of a sentiment to its source. Socialism itself is the product of the interaction between a given moral sentiment and a given social environment. It is not only the social environment which has a national character. The other factor, likewise, the moral sentiment, has primarily, in different peoples, a peculiar tinge, derived from a peculiar national past.21

Rise of Syndicalism and Corporatism among the Right:

These were the sentiments not only of De Man, but of Syndicalists in France and in Italy. They wished to transcend capitalism not, like Marx, to appropriate it. The Italian Syndicalist Alfredo Rocco stated in 1914 that, 'the Corporations [guilds], which were overthrown by the individualism of the natural rights philosophy and the egalitarianism of the French Revolution, may well live again in the social ideals of Italian nationalism. … In the corporations we have not an absurd equality, but discipline and differences. In the corporations all participate in production, being associated in a genuine and fruitful fraternity of classes'.22 Rocco became economic spokesman for the Italian Nationalist Association, which adopted a syndicalist policy. The Nationalist Association combined with the Fascist party in 1923. Rocco served as Minister of Finance in Mussolini's Cabinet from 1925 to 1932, and drafted important Fascist legislation particularly on the Corporate State. In 1934 Rocco introduced the Bill for the 'formation and functions of the Corporations to the Chamber of Deputies', stating that the 'key body' in the Fascist economy 'is the corporation in which the various categories of producers, employers and workers are all represented and which is certainly the best fitted to regulate production, not in the interests of any one producer but … but above all in the national interest'.

Abhorrence of the bourgeois Revolution is something that was shared by Syndicalists, Royalists and Catholics alike.

The Italian Nationalist Association, founded in 1910, a decade prior to the Fascist party, adopted the syndicalist doctrine in 1919, if not earlier, the same year the Fascio movement was founded. In the struggle between capital and labour, Enrico Corradini, the leader of the Nationalists, said that 'nationalism is by definition a unifying force'. Corradini stated that the Syndical organisation could unify all productive forces. He regarded the Syndical organisations as having transcended political parties. Therefore the Syndicates – Corporations – should become the representative bodies in parliament instead of parties.23

In France the convergence of the monarchist-Right and syndicalist-Left within the Action Française established the foundations of pre-Italian Fascism. The primary spokesman of Syndicalism in Action Française, was Georges Valois, an ex-Anarcho-Syndicalist. Valois founded Le Faisceau in 1925. He was the first in France to use the word Fascist to designate an organisation. Action Française, founded in 1898, twenty years before Italian Fascism, called its doctrine 'Integral Nationalism'. As early as 1914 Valois said that 'the syndicalist movement replaces the masses of individuals that the Republican state wishes to have under it with the professional groupings by which the traditional French monarchy was supported'.24 Henri de Man came to the same conclusion in regard to the monarchy; a monarch transcended class and party factions.

Catholic Social Doctrine:

Catholic social doctrine was the other primary current that contributed to the new synthesis. This was particularly formulated for modern times by the papal encyclicals of Leo XIII and Pius XI. Significantly, these Popes addressed the same concerns about materialism, egotism, liberalism and industrialism that concerned the Right and heretical elements of the Left. They saw these factors as creating class conflict and delivering the working classes into the hands of atheistic Marxism. Leo's encyclical Rerum Novarum was succinctly sub-headed 'Rights and Duties of Capital and Labour', making the corporatist intentions clear. Leo spoke of an era of great wealth and great poverty, of science and technology amidst moral degeneracy and social tumult. Leo outlined a 'Christian constitution of the State'. Like the corporatists and syndicalists he referred to the abolition of the guilds during the prior century, without other protective organisations taking their place. 'Hence, by degrees it has come to pass that working men have been surrendered, isolated and helpless, to the hardheartedness of employers and the greed of unchecked competition'. The situation has been aggravated by 'rapacious usury',25 which the Church had traditionally opposed, but which was now the major factor in capitalism through the banking industry, and it might be added, with the help of the Reformation. Capital and the power over the working masses had become ever more concentrated into fewer hands. The socialist answer is to eliminate private property. However, the motive of work was to acquire property. Moreover the socialist proposal to reduce society to 'one dead level' of equality negates the inherent differences among man that are advantageous to all. Leo describes the 'organic state' using the analogy of the human body:

The great mistake made in regard to the matter now under consideration is to take up with the notion that class is naturally hostile to class, and that the wealthy and the working men are intended by nature to live in mutual conflict. So irrational and so false is this view that the direct contrary is the truth. Just as the symmetry of the human frame is the result of the suitable arrangement of the different parts of the body, so in a State is it ordained by nature that these two classes should dwell in harmony and agreement, so as to maintain the balance of the body politic. Each needs the other: capital cannot do without labour, nor labour without capital. Mutual agreement results in the beauty of good order, while perpetual conflict necessarily produces confusion and savage barbarity.26

The employer and the worker are counselled to respect each other in an honourable and just manner for their mutual benefit. On the duty of the State, Leo again alludes to the organic character of society, the State being the means by which the components of the social organism are maintained in healthy balance:

There is another and deeper consideration which must not be lost sight of. As regards the State, the interests of all, whether high or low, are equal. The members of the working classes are citizens by nature and by the same right as the rich; they are real parts, living the life which makes up, through the family, the body of the commonwealth; and it need hardly be said that they are in every city very largely in the majority.27

However, the state should remain as unobtrusive as possible in the affairs of a man's home and family. In preference to State intrusion, Leo advocates a revival of the traditional order when the vocations organised for self-help in guilds, corporations or syndicates as they are variously called:

In the last place, employers and workmen may of themselves effect much, in the matter We are treating, by means of such associations and organisations as afford opportune aid to those who are in distress, and which draw the two classes more closely together.28

The most important of all are workingmen's unions, for these virtually include all the rest. History attests what excellent results were brought about by the artificers' guilds of olden times. They were the means of affording not only many advantages to the workmen, but in no small degree of promoting the advancement of art, as numerous monuments remain to bear witness. Such unions should be suited to the requirements of this our age – an age of wider education, of different habits, and of far more numerous requirements in daily life. It is gratifying to know that

there are actually in existence not a few associations of this nature, consisting either of workmen alone, or of workmen and employers together, but it were greatly to be desired that they should become more numerous and more efficient.29

In 1931 Pius XI augmented Leo's Rerum Novarum with Quadragesimo Anno, reiterating that contrary to Liberalism, the State has a responsibility to ensure the harmonious functioning of the constituent parts of the social organism. Pius clarified the social meaning of property: 'It follows from what We have termed the individual and at the same time social character of ownership, that men must consider in this matter not only their own advantage but also the common good'.

It is the responsibility of the State to define social duties, while upholding the right of inheritance.30 Critiquing the economic laws of the 'so-called Manchester Liberals', Pius wrote: 'Property, that is, "capital", has undoubtedly long been able to appropriate too much to itself. Whatever was produced, whatever returns accrued, capital claimed for itself, hardly leaving to the worker enough to restore and renew his strength'.31 In attempting to rectify this workers have turned to socialism. The Church's answer is not to abolish private property but to ensure its wider distribution: 'Therefore, the riches that economic-social developments constantly increase ought to be so distributed among individual persons and classes that the common advantage of all, which Leo XIII had praised, will be safeguarded; in other words, that the common good of all society will be kept inviolate'.32 Co-partnership should become the practice of enterprises: 'Workers and other employees thus become sharers in ownership or management or participate in some fashion in the profits received'.33Pius reiterated the organic – corporate – character of society:

It is obvious that, as in the case of ownership, so in the case of work, especially work hired out to others, there is a social aspect also to be considered in addition to the personal or individual aspect. For man's productive effort cannot yield its fruits unless a truly social and organic body exists, unless a social and juridical order watches over the exercise of work, unless the various occupations, being interdependent, cooperate with and mutually complete one another, and, what is still more important, unless mind, material things, and work combine and form as it were a single whole.34

These encyclicals by Leo and Pius were a significant factor in the development of corporatist states throughout the world; particularly in Brazil (Vargas), Portugal (Salazar), Spain (Franco), France (Petain) and Austria (Dollfuss). The Church social doctrine provided a nexus around which the Syndicalist-Left and the traditionalist Right could unite. To the Catholic-royalists of Action Francaise, for example, the syndicalist doctrines of Georges Valois et al, were accepted as the means of re-establishing the traditional social order that had been ended by the 1789 Revolution. Abhorrence of the bourgeois Revolution is something that was shared by Syndicalists, Royalists and Catholics alike.

Conclusions:
While Fascism as a national and social synthesis had its time and place, its reaction to the legacy of Liberalism and its Marxist offspring through a return to the organic community, via what was called 'corporatism' across the world, remains intrinsic to the Right. The organic state is not something confined to time and place; it is the perennial method of social organisation. Fascism was its manifestation during the late 19th and early 20th centuries, answering the crisis of social dislocation engendered by Liberalism and Marxism; literal social cancers. The corporate state revives the social organism by returning to the traditional mode of social relations. Corporatism re-establishes the Right as inherently anti-capitalist while highlighting the connection that exists between Liberalism and Marxism."

Corporatism, How does it work?

Corporatism is an economic and social system which sees every economic factor, labor and capital, unified into a single reality. Both coordinating each other for the benefit of the nation. Under Corporatism Employers and Employees will be organized into syndicates, each syndicates obtaining each groups elected representatives from their particular industry and occupation. These two syndicates will then be tied together under a central organ titled a "Corporation" -- Hence the name, Corporatism. Within these Corporations, the representatives of both would coordinate economic activity, put terms of labor, set wages and control prices through exercising price regulations. This system as such, can be viewed as one of, if not the most flexible economic systems imaginable. Not only is it capable of limiting economic activity, it's also capable of freeing it when absolutely necessary.

The corporations that structure the state still play a regulating role by encouraging more business to thrive in areas where the generation of privately produced essential goods and services is deemed to be insufficient, and by discouraging business in areas where there is deemed to be a surplus of unessential goods and services. This prevents private enterprise from hijacking government-standardized prices by means of either purposely holding back on the production of certain essential goods and services to force a rise in value, or by fabricating over-demand namely through advertisement and other methods. The economic philosophy that we propose, corporatism, is extremely flexible. With this position, we can tolerate private enterprise including private property within limits and justify major projects of the state.

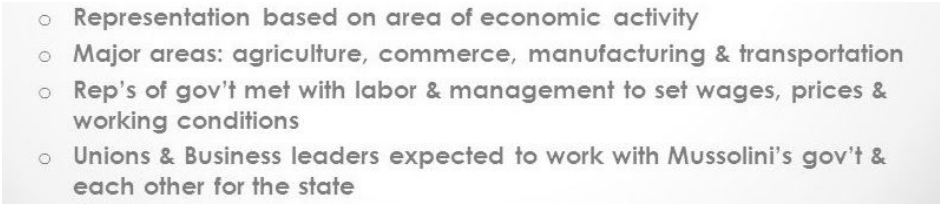
Italian Characteristics of Corporatism Part One

- **state managed economy**
- Brought a certain efficiency to Italy that was missing
  - *trains always on time*
- 1926 → The National Council of Corporations created
  - Guilds of employers and employees established to manage the 22 sectors of the economy
    - Division leaders (made up of labor, employers, and government) were to direct the activities within their sector
      - directed labor, organized the employers, Monitored working conditions
      - Determined wages, prices, and policies
      - Disputes arbitrated by Government
  - Supported by small capitalists, low-level bureaucrats, and the middle class
    - felt threatened by the rise of Socialist power!
  - The goal → harmonize the interests of workers, managers and the state by abolishing class warfare.

By Alexander Thomson

Source: The Coming Corporate State
“The Corporate State is based upon industrial and occupational organization, as opposed to the regional or geographical methods of government in place in today’s society. This feature will be common throughout the entire system, both of Government and representation, and must be grasped as an absolute fundamental principle of Corporatism. This idea proposes that the society and economy of a nation should be organized into major interest groups called Corporations that function similarly to a medieval guild system. Workers would be organized along profession and industrial lines, and representatives of those interest groups would settle any problems through negotiation and joint agreement with State oversight. Under corporatism, the labor force and management in an industry belong to an industrial organization such as a guild, syndicate, or corporation. Representatives of the groups are elected into an Assembly of Labor and Management that settles issues through collective negotiation. The duties of these Corporations can be divided into three core categories; the Regulative, Planning, and Social aspects. Each Corporation must regulate the relations between the various factors of production in the industry it controls though negotiation; it must also plan the development of the industry or the closing down of redundant plant by working with the state and various entrepreneurs; finally, it must take heed of the social amenities of those engaged in the industry, their industrial insurance, superannuation, etc.”

Italian Characteristics of Corporatism Part Two


Representation based on area of economic activity
Major areas: agriculture, commerce, manufacturing & transportation
Rep’s of gov’t met with labor & management to set wages, prices & working conditions
Unions & Business leaders expected to work with Mussolini’s gov’t & each other for the state

By Benito Mussolini & Giovanni Gentile

Source: The Doctrine of Fascism
“When brought within the orbit of the state, fascism recognizes the real needs which gave rise to socialism and trade unionism, giving them due weight in the guild or corporative system in which divergent interests are coordinated and harmonized in the unity of the state.”

The Economy, State & Corporatism:
Another key aspect to allow corporatism to work as an effective economic structure is that the state must have a monopoly on the creation of capital within the national bank. These new laws must determine the amount of credit to be made available, the interest rates to be applied, and the approved categories of lending. The Labor-backed currency model in the formation of credit. The currency supply is expanded via the government’s expenditures for the maintenance and development of public projects, be it in the form of social and emergency services. What should be made clear is that under a labour-backed currency production model all banking must be managed wholly by the state as a non-profit organization for the safeguarding of the individual citizen’s monetary reserves, the provision of low-interest loans, and the regulation of the manipulation of the national supply in value. All costs regarding any given government-funded project are calculated – namely essential building materials and required

human labour and prices for the purchasing of needed materials and workers as rationalized by the government. Essentially, prices must be forcibly set for this to function properly. The entire focus of the labour-backed fiscal model is to base a given currency, unique to a single nation, on the ability of the state to mobilize its manpower and material resources for the production and maintenance of essential infrastructures and services. What should be remembered from all this is that the money supply can only be expanded at the behest of the government's ability to provide jobs to those who do not own a business or work within the private sector. The private sector will only ever be able to utilize money that the public sector produced. Where private enterprise fails to generate jobs, the government takes over. This guarantees that a significant degree of a nation's labour pool remains in government hands for the maintenance of public welfare- and not for achieving the private interests of a wealth-laden elite. A currency bound to this system also becomes inflation-proof. Under a labour-backed currency model, the government does not own the economy; rather the government directs the economy with the corporation's support.

The state must stand in opposition to free trade by any means necessary, so a shield of national defense can be actualized. Free trade has shown that it reduces employment in the current context; if jobs we gain have higher value-added per worker, while those we lose are lower value-added, and spending stays the same, that means the same GDP but fewer jobs, so If you want a trade policy that helps employment, it has to be a policy that induces other countries to run bigger deficits or smaller surpluses. It reduces the size in all aspects of industry. GDP doesn't increase, more higher paying jobs doesn't directly translate to fewer low paying jobs on an exponential larger number because you are giving one person literally the salary of 100 or more people without increasing how much the sector earns you consequently reducing the employment of the sector by the exact offset of the added higher paying jobs. Hence why the profit of the economy depends entirely on greater worker insecurity by reducing the addition oc, high paying jobs via stagnation of worker mobility in class, you prevent the industry and its GDP from shrinking. However this is exactly where free trade advocates talk about jobs---> they'll only talk specifically about "we added X jobs" not growth of the industrial sector or total employment numbers. Advocates of free trade avoid this to hide the fact that all they're doing is laying off tens of thousands to add a few hundred* mid to high paying jobs to the sector.

Therefore, the only way for the state to have its people placed first, is to focus on mainland autarky and an export based economy that must oversupply foreign markets for success. The concept of full employment is only possible with rapid industrialization, which requires major government backed projects. With autarchy, the state can utilize all its natural resources and manufacturing capabilities to ensure self-reliance to create localized production. That way the labor pool is not watered down, thus preventing currency inflation and unemployment.

Certain key services for the maintenance of a modern state must never be privatized in order to prevent the private sector from eroding state authority over a population. This includes essential services such as water sanitation, media, postal delivery, electricity, public transportation, disaster relief, armaments production, both reserve and commercial banking, security, and healthcare. Some nations lack the raw materials and means for producing enough finished goods to become truly self-sufficient, it becomes obvious that bartering for resources needed is the solution. For the state to minimize exploitation during trade such an exchange is to never do so through an international body that trades between nations, and instead trade is to be conducted in a fashion whereby the essential goods and/or resources of one nation are exchanged only for the essential goods and/or resources of another nation on terms reached by both trading parties. Here, exploitation by one nation against another is still, technically, possible, however never to the degree that the international trade of a given 'global' currency by one nation (as if people can eat or build houses out of a foreign currency) in exchange for base goods or resources of another nation allows for. Finally, labour is never exported or imported in order to prevent private interests from neglecting the available labour pool of their home nation in pursuit of greater profit.

Fascist Corporate Structure

Italian System

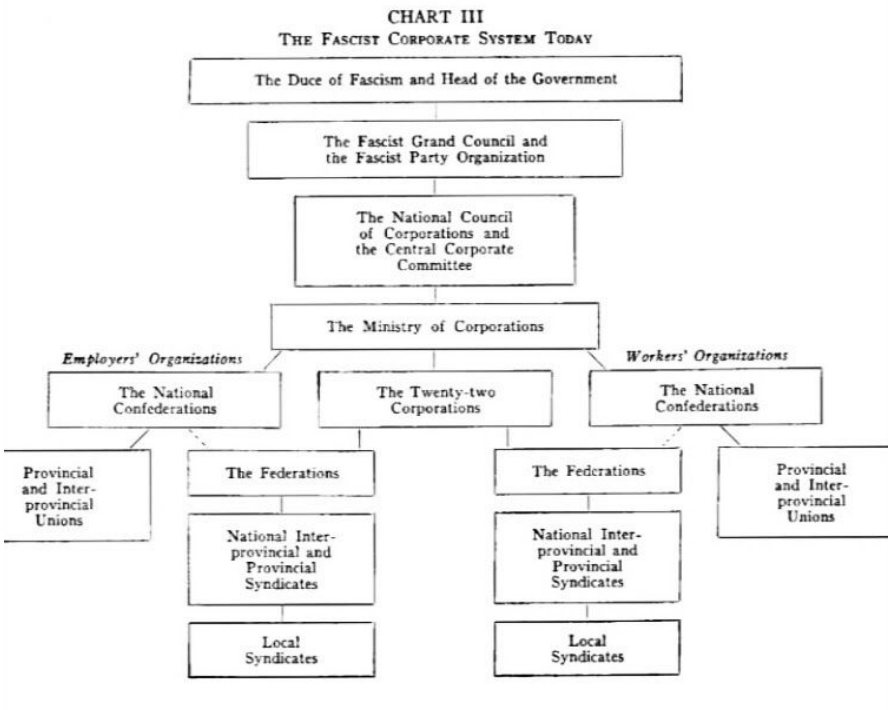
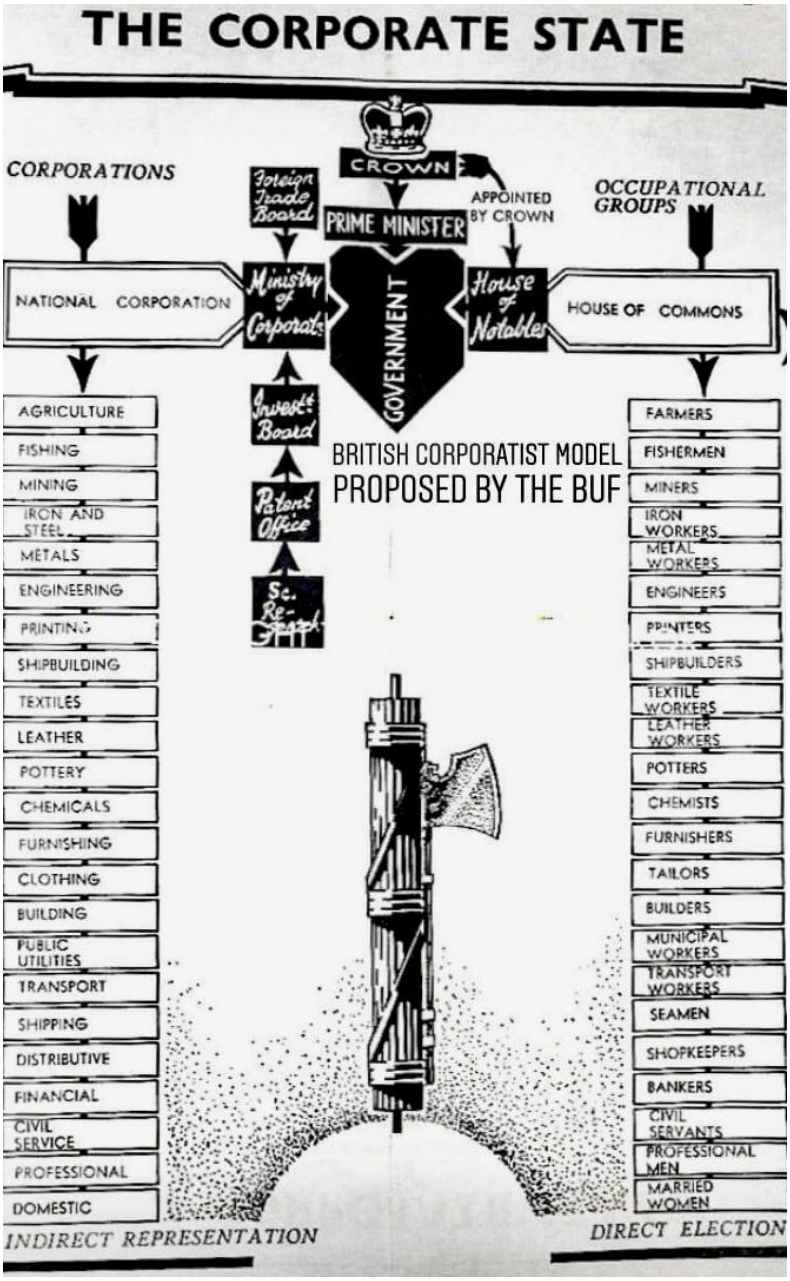


CHART III
THE FASCIST CORPORATE SYSTEM TODAY
The Duce of Fascism and Head of the Government
The Fascist Grand Council and the Fascist Party Organization
The National Council of Corporations and the Central Corporate Committee
The Ministry of Corporations
Employers' Organizations
Workers' Organizations
The National Confederations
The Twenty-two Corporations
The National Confederations
Provincial and Inter-provincial Unions
The Federations
National Inter-provincial and Provincial Syndicates
Local Syndicates
The Federations
National Inter-provincial and Provincial Syndicates
Local Syndicates
Provincial and Inter-provincial Unions

British System



South Korean Structure

Park set up three powerful agencies of oversee his development program:

- **The Economic Planning Board (EPB)**
- **The Ministry of Trade and Industry (MTI)**
- **The Ministry of Finance (MoF)**

There is an obvious similarity to the Japan's agencies for economic development. As in the case of Japan these agencies are important components of what might be called Korea, Inc. A fourth agency, the Korean Central Intelligence Agency (KCIA), was the instrument of political control which went along with the centralization of economic decision-making.

On Corporatism

By Edmondo Rossoni

Source: The Significance of Fascist Syndicalism

"Labour unions cannot be expected to give up their class position or the weapon of the strike, unless employers change their traditional attitude of shear resistance to labour Captains of industry must undergo a change of heart and even relinquish some of their despotic power, which is incompatible with modern ideas and with the dignity of labour. Whether one likes it or not, the birth of Syndicalism in the world results from the improvement in the conditions of the salaried and wage-earning classes; a new will, strictly controlled and disciplined, is intervening in regulating production and in determining the relations between classes. The aim of fascist syndicalism is unity and collaboration: it does not oppose, but conforms to the needs of production; it does not deny the conscious aims of labour, but harmonises them with the aims and with the industrial experience of the managers. This is the true and fundamental difference between fascism Syndicalism and Trade-Unionism, based as the latter is on class warfare. If this is understood by the capitalist class, the whole position changes, and collaboration finds a fertile soil for development. But, if this is not understood, it becomes futile to cry out for a collaboration which is doomed to die before birth, like seed cast upon stones.

There are clear and definite principles in the syndicalist doctrine of Fascism; and, without a knowledge of these principles, it is impossible to arrive at a clear idea of the social problem which is, after all, the greatest problem of modern life. The different exponents of Socialism strenuously challenge the herd logic of Capitalism, and are mobilizing the masses against the capitalist system. The effects of this socialist movement and the great harm resulting to the workers are known, so that every reaction against Socialism becomes confused with a defence of the employers with all their old prerogatives and attributes. The same conclusions were drawn at first with regard to

Fascism. In its beginnings, it was certainly a movement mainly directed against Bolshevism; but, in its recent developments, it has shown itself capable of creating new social instruments and institutions, which have succeeded in bringing the economic conflict between classes into some sort of order and discipline. Naturally it was difficult to make foreigners understand this second and more important side of Fascism, especially when European countries, struggling with Socialism, thought that they could appeal to Fascism simply as an anti-socialist force. Fortunately the efforts of foreign "fascisti" have never been taken seriously, for they have been thoroughly partisan and hurtful, rather than useful to the reputation of our revolution abroad. Of course, social-democrats have clung desperately to these pseudo-fascism efforts, with the object of belittling and opposing Italian Fascism. In the interaction circle at Geneva these parties fire whole broadsides at a puppet which actually has no existence in the Italian system. But it is well known that, behind this socialist play-acting, there is a short-sighted and stupid organization of big political and financial speculators whose interest it is to slander Fascism, and through Fascism the new Italy.

These speculators and social-democrats, however can hardly hold to their position much longer. There are already defections in their camp, either because the hope of unjoining Italian unity grows fainter every day, or because the deeds of Fascism in its five years of life are more eloquent than the persistent lies of interest groups. The Mussolini method is to steer clear of polemics with the internal and external enemies of Fascism, and, instead, to emphasise all that Fascism does to heal and to discipline the life of the country, and to raise the prestige, the dignity, and the value of Italy in the world. This method is showing itself marvelously powerful in winning the admiration of all sincere men. The merely imitative fascists abroad are lessening in numbers and becoming played out, while not a few interpreters of responsible political movements in certain countries are beginning to judge the Italian achievement in a spirit of fair play, and this even when they go to Geneva. Some of them, indeed barely conceal their intention of moving towards ends which have been already worked out and realised by Mussolini in Italy, but which they would naturally adapt to the genius and needs of their own people.

Under the influence of Fascism the old political groups and characteristics are losing their value. Fascism was right to remove all meaning from the old political jargon of "right" and "left." But what regrets were felt and what tears were shed over the destruction of the innumerable small and big parties which infested the political camp! The unanimous and relentless determination of the militant fascists seemed cruel tyranny to the various parties: the moderate and popular parties, the liberal democrats, the democratic liberals, the radicals, socialists, reformists, maximalists, communists, and so on. But now it is clear to everyone that unification and simplification are elemental necessities to a people who desire good government.

We are convinced that a similar destiny is reserved for fascist syndicalism abroad. The last Labour Conference at Geneva extended far greater sympathy to our movement than the preceding conference had done. As time goes on, those labour delegates who are hostile to us not from conviction, but from a sense of party loyalty, decrease in numbers. There are even some who admire our achievements, and yet exclaim: "What a pity the corporations are fascist!" Briefly, it has come to this, that the word Fascism still engenders alarm, although the reality is no longer despised. Later on, even the word will cease to be disliked.

The conception of fascist Syndicalism changes the outlook of all those engaged in industry, and takes from Socialism all that it has of value. Even the old terminology of masters and men is changing. The word servitude of labour; a servitude which is in direct contradiction to modern progress. The Italian scheme of corporations brings about a much needed co-operation between the directors and the executors of an undertaking, and is the only present-day conception which entails equilibrium and economic justice.

It should be emphasised that it was these very fascist organisers who were the first to insist that the old expressions, "masters" and "men," should be abolished and this because master supposes servants. Such terminology belongs to a past civilization. Nowadays we are no longer able to concur with the old absurd idea of class distinctions, nor do

we hold that there is by nature any moral inferiority between men. On the contrary, it is fully recognized that all men have the same right to citizenship in the national life.

Fascist syndicalism has a definite programme and definite activities; its deep-lying principles and ideals are destined to illuminate the whole international field of labour. This is inevitable; for the future progress of civilization cannot be ensured either by means of communist negations or through the rigid individualistic system of Capitalism. A new moral, political, and economic order can only be achieved through the fascist idea of all workers bound together for the food of all, both in the world of industry and in social life. Thus the very best that Socialism can give is taken, and, at the same time, government rises to a higher perception of justice. In the light of the twentieth century, there can be no room for any government based on Absolutism, on purely material preoccupations, or on oppression."

By Oswald Mosley

Source: The Syndical Revolution:
This is an examination of the revolutionary tradition of Syndicalism as an alternative to Socialism which has led in practical effect to the totalitarian regime of Communism on the Continent, and bureaucracy, direction of labour and the denial of freedom in this country. A return to syndical methods of combating capitalism offers new hope of emancipating the British workers and preserving their hard won liberties.

WELL, now you have had quite a considerable dose of socialism from a Labour Government with a working majority in the House of Commons. What do you really think of it? Has it fulfilled your hopes or are you sadly disappointed? Do you think the nationalization of certain key industries has brought any advantage to the nation or to the workers in those industries? On the other hand can we expect no real progress until all industries are nationalized, as the Communists insist?

The answers to these questions are becoming ever more clear as the experiment in socialism proceeds. To begin with, the real motive of the British workers in giving their support to a Socialist party was to get rid of the capitalist "boss-class" and thus escape from exploitation. Bitter is their disappointment to find that they have merely exchanged masters. In place of individual "bosses" who were, at least, susceptible to the threat of strikes, they have now one universal "boss" against whom a strike is rapidly becoming regarded as at the least an unpatriotic, if not treasonable, action. Far from getting rid of a privileged "boss-class" of owners, they now find themselves saddled with an army of black-coated, pinstripe-trousered, bureaucrats, many of whom are quartered in the very country houses from which the former "capitalist" owners have been ejected.

Does this involve any progress for the workers? Many are beginning to doubt it. Nationalization has placed any real control over the conditions of their industry far further beyond their reach than in the "bad old days" when they could often bring effective pressure to bear upon bad employers by strike action. Now grievances have to pass through a cumbersome bureaucratic machine where each department attempts to shelve responsibility for decisions from one clerk to another. Hence the ridiculous "stint" dispute in Durham which could have been settled in a fraction of the time under private ownership without involving dozens of other pits and wasting hundreds of thousands of tons of coal.

What is Capitalism ? What has gone wrong?
Can it be that we have all been led astray by a false definition? Is Dr. Joad right, that it does matter what we mean by "Capitalism"? Socialists tell us this means the private ownership of the means of production, distribution and

exchange and all will be well if all these are brought under public ownership by nationalization. But private ownership has existed since time immemorial, yet we only speak of the last two hundred years or so as the "Capitalist Era." Would it not be more true to say that "Capitalism" is a state of society in which the owners of capital form the ruling class, as they are permitted complete power to use their property to exploit their fellowmen? Is not the evil of our age the power given to wealth to dominate the nation?

It was not always so. In earlier times the King and his Government ruled the state and no man, however wealthy, could defy the King's law and the ordinances of his ministers. Indeed, we now realize, despite the version of history taught us at school, that, when King Charles defied Parliament, he was, as he said at his trial, fighting for the freedom of the common people of England against the tyrannous demands of the purse-proud merchants of the City of London. Unfortunately, the national authority of Tudor England was broken on his scaffold, and ever since wealth has gained ever greater power over the people.

The real enemy If we agree that it is the political power of wealth, in its modern form of capital, which is the enemy enslaving the British people, then we can see at a glance where we have gone wrong. The only escape from such a tyranny is not to transfer wealth from one group to another, but to divest wealth of its political power, and restore the authority of Government to rule in the interests not of the wealthy but of the whole people. Nationalization does not deprive wealth of its political power. Socialists accept the very basic evil against which the workers of Britain have been struggling for generations past.

They do not challenge the right of the private owner to do what he likes with his own, as Tudor England did by many administrative measures. On the contrary they hold that the only way to avoid the evils of private ownership is to vest all ownership in the State thus giving to the Government all the political power which has long since been conceded to the owners of wealth. As sole owner the Government will thus acquire absolute power.

Unfortunately, the great majority of the British workers had become so incensed by their exploitation under private enterprise and the inefficiency which led to unemployment, that they sought revenge against their employers in supporting a socialist creed which would expropriate those they had come to regard as their enemies. Now, however, they see the nemesis of attacking "Capitalists" rather than "Capitalism," for their freedom is rapidly disappearing before the new and far graver tyranny of "State Capitalism" masquerading as "Socialism" which they had only understood in its idealist sense of "Mutual Service." When they complain that this was not what they had expected, the extremists retort that they must not expect the full benefits of Socialism until the full programme of nationalization has been completed. Grumbling, the workers submit to direction and personal hardship while they await the promised millennium.

Totalitarian Communism:
What is this millennium? It is no less than the final achievement of the complete totalitarian Communist State which owns all wealth, is the sole employer, and hence, under modern materialist concepts, possesses absolute political power. In Soviet Russia, such a state already exists and it is no coincidence that it has taken the form of the most reactionary and tyrannical government of modern times, threatening its neighbours with oppression and keeping the whole world from peace by its aggressive policy. What else are we to expect when we take all wealth out of the hands of private individuals and vest that vast power in the hands of a small, highly disciplined group of political adventurers?

We have complained, not without justification, of the aggressive profit seeking of the former "capitalist class" which led to a struggle for power ending in war. How much more must we expect "State-Capitalism" to incorporate all these evils, and exploit the masses in a last desperate bid for world domination?

The Communist answer is that their administration is a “dictatorship of the proletariat” exercised on behalf of the whole of the people. The whole self-governing instinct of the British people rises in revolt against such hypocrisy. We have not forgotten the White Tsar, Alexander, who after the defeat of Napoleon, united all the forces of reaction in Europe to suppress the democratic ideas of the French Revolution under the Christian banner of the “Holy Alliance.” This new Red Tsar, Stalin, is no less a reactionary when he uses the same methods of military occupation and a secret police under the Marxist banner of the “Communist International.”

The fact remains that wherever Communism has power the people are deprived of all political and economic rights and must submit to the absolute authority of a small group of “party comrades,” who possess complete power over all property and even over the bodies of those they have enslaved to their omnipotent state.

Must We Go Back ? Is the whole dream of progress through socialism a mere illusion, which has led the British workers into a hopeless impasse? Have we no alternative but to reel back from the abyss of totalitarianism yawning ahead, and to submit to the restoration of private ownership and all the evils of unrestricted individual capitalism? The Conservatives would like us to think so, but are finding it hard to convince the electors that they must retrace their steps.

The workers of Britain are not prepared to throw away all their hard won privileges merely because they have been led astray by false social and political theories. They are not so wedded to alien Marxism as to forget all they have gained by the application of British methods of team work and social solidarity. These are assets which can be turned to practical effect under any political or social system. The British people have always been hard realists rather than woolly idealists, concerned with practical results more than logical systems. This realism may now stand the British worker in good stead.

Let us go back in history and realize that the real tragedy for the industrial worker was the loss of his tools, in medieval times he began as an apprentice, learned his craft and became in due course a journeyman possessing his own tools, travelling as a free man through the length and breadth of not only his own country but often of the whole of Europe. Wherever he went he was in a position to exercise his craft and maintain himself, until he had acquired sufficient experience to settle down himself as a master-craftsman employing his own apprentices and journeymen. The next step was to take his place as one of the burgesses ruling his own walled town defying the robber barons of the countryside, with every possibility of becoming the burgomaster of a community of craftsmen, such as formed the Hanseatic League and other groups of the free cities of Europe.

Unhappily wealth in alliance with landowning interests destroyed this healthy development of honest craftsmanship. Soon the worker lost his political powers and even ownership of his tools passed away, as home industries succumbed within living memory to the competition of power driven machinery owned by big capitalists. From a free man controlling his own destiny the worker declined to a mere member of the proletariat dependant upon the capitalist for access to the machines through which alone he could earn his livelihood. This was a major catastrophe to the industrial worker from which socialism offers him no redress, as State ownership of the means of production merely removes the control over the tools of his trade further from his ken. The bureaucratic officials who now direct him to labour are certainly not drawn from the working class, being in fact for the most part the privileged younger sons of the very capitalist-class he has sought to destroy.

Alternative Revolutionary Creed:
There is, however, no need to despair, for side by side with the teaching of socialist revolution, there has been in Europe a second revolutionary creed calling for a return to the natural system of trade guilds of earlier times. Names as great as those of Engels and Marx are associated with this alternative revolution, and they are the names of true idealistic Europeans and not merely of materialist minded aliens.

Russia produced Prince Kropotkin and Bakunin who taught the philosophy of natural social cooperation through "Mutual Aid" condemning government and advocating anarcho-syndicalism. Sorel followed in France with his creed of the "General Strike" by which the workers should recover control over industry and the means of production. Nor was Mazzini slow in Italy to follow a similar course leading ultimately to the idea of the Corporate State to which even the dictator Mussolini was compelled to give at least lip service.

Northern Europe may have accepted Socialism which owed much to the co-operation of Bismarck and the Jew Lasalle in Germany; but Southern Europe remained true to Syndicalism which modified the Fascist dictatorships and even fought under anarcho-syndicalist leadership the Communist endeavour to dominate Barcelona during the Spanish civil war. Franco to this day has found it necessary to concede much to the national-syndicalist organizations of his revolutionary allies in the blue-shirted Phalanx.

We in Britain cannot regard this clash of ideas on the Continent as something beyond our concern, for we too have played our part in its development. Our early leadership in the formation of trade unions and co-operative societies was certainly not socialist in intention, but pure syndicalism in practice. Nor was revolutionary theory lacking even in this land of hard practicality, when such men as Orage, Penty and G.D.H. Cole, developed the ideal of "Guild Socialism" early in the century, which had much in common with the National Syndicalism of Southern Europe in typical compromise with the National Socialism of the North which ultimately led to the rise of Hitler in Germany and Stalin in Russia. Indeed, the General Strike of 1926 was a great, if unconscious effort, to achieve the industrial revolution to workers control advocated by Sorel, and it was only following upon its dramatic failure that the workers drifted towards political action on the Marxist model.

Reversion to Syndicalism:
Is it too late to revert from Socialism to Syndicalism? We do not believe it. Socialism leads either on the National or International front to one form of tyranny or another – either to a British Hitler or to the universal sway of Stalin. Syndicalism on the other hand can restore the long lost freedom of the British worker by restoring his control over the tools of his craft and the means of his livelihood. The British workers already repudiate Communism, as they realise that national ownership means the end of hard won liberties extorted at great sacrifice from exploiting capitalist employers through loyal comradeship and social solidarity. This is not the time to lay down the weapons of trade union organization, but to demand that the whole trade union movement attains its ultimate objective of effective control over the conditions of employment and the development of industry.

How is this to be achieved?
Surely it is time to reverse the whole tendency of working class activity since 1926? We must cease to support the advance of political gangsters, climbing, like Jimmy Thomas, on the backs of the workers to political power, for we now realise we will no more be able to remove them from the saddle than can the Russian people get rid of Joe Stalin and his pals. We must return to industrial trade unionism, holding firmly to the powers we have already won over the conduct and administration of our own industries. There we have something real to show for the efforts of generations of British workers, something we will not lightly barter away for the most rosy-hued theory of national ownership administered by State Capitalists.

Self-government of Industry Syndicalism is practical business. It means the self-government of industry on the lines of the "working parties" which were so effective a means of increasing pro-duction during the war. It means the abandonment of the mere illusion of political control through corrupt, power-crazed delegates in favour of the effective reality of industrial control through direct contact with the facts of occupational problems.

Syndicalism is a reality which is in large measure already achieved through working class action to curb capitalist exploitation. Socialism remains a theory without effective result, unless it be carried to that point of Communist slate tyranny which the real British workers abhor. Let us, therefore, as workers give our support to every trend and every political idea which advocates the retention of workers' control of industry and repudiates bureaucratic direction.

The British Revolution need not come to a standstill. Conservatism need never again recover power because of the failure of Socialism. All that is needed is a deliberate change in the direction of revolutionary action away from political intrigue back to the normal British method of direct industrial activity. A bird in the hand is worth two in the bush, especially when new political bosses have the full disposal of available poultry—and we do not only mean Mr. Strachey in this connection. Freedom is too valuable a birthright to sell for such a problematic mess of pottage.

Central Government:
We are too practical a people to fall into the errors of anarcho-syndicalism. We realise that if we choose the reality of industrial self-government in place of the illusion of political self-government through an effete parliamentary system, there must nevertheless be some central government-authority to safeguard the interests of the nation as a whole and co-ordinate the efforts of the various industries and occupations. While clinging to our fundamental rights to control and ultimately to own the means of our own industrial and occupational livelihood, let us be prepared to concede power to central government to administer national affairs provided such a government submits itself at regular intervals to a vote of the whole people to confirm it in office! Thus may we still progress along the lines of our traditional revolt against capitalism and the rule of wealth.

Let us be quite clear that there is no short cut to the liquidation of Capitalism. We must aim at the transfer of control over industry from existing financial and absentee shareholding interests to those responsible for the actual conduct of the industry whether in a managerial, technical or operative capacity. This must then be followed up by the liquidation of all mere paper claims upon the industry for interest and profit in no way justified by service. Ultimately all industries must pass not into the ownership of the State but into the hands of those actually engaged in running the industry. In fact, ownership must be for use and not for profit, and every industry must eventually possess its own tools, machinery and other capital as its means of giving service to the national welfare.

The End of Capitalism:
This is the syndicalist remedy for Capitalism, and all workers must fit themselves, whatever their capacity, to undertake the responsibility for co-operating in the management and direction of their own industries. This requires a reorientation of Trade Unionism away from politics and back to the original industrial purposes for which they were formed. Only when the workers have fitted themselves to undertake such tasks can they hope to end the rule of Capitalism, either in its individual or state aspect, as the domination of wealth over society. Let the craftsman assert once again his right over the tools of his craft, if not as an individual then as a member of his organized industrial guild, forgetting class prejudices in favour of the loyal cooperation of all factors contributing to the welfare of his industry.

Finally, let the workers of this country realise in which direction their real well-being lies. Let them give full support to any political movement or tendency which moves in the direction of real syndical values and away from the delusion of socialist theories. Political action to support industrial progress will be necessary; but let us be certain that such political action is honestly directed towards curbing the power of Capitalism not usurping it as a means of tyrannizing over the nation, workers and employers alike. Let us be true to our heritage of industrial struggle and show both Capitalist America and Communist Russia that we have a characteristic British method of setting our own house in order, and achieving a new form of society, in which the worker with hand and with brain will possess the power to protect his own interests and thus serve the national welfare.

Forward to Syndical Revolution!

By Pitigliani Fausto

Source: The Italian Corporative State

"Between the years 1919 and 1922, a turbulent period of disorder and disintegration in society and in the State, in this Italy of ours, men were perhaps not lacking who could have brought together and directed the perplexed and scattered energies in the cause of preservation and defence and of necessary reaction. But, as I have observed elsewhere, there was one man only, Benito Mussolini, who, thrust forward by a revolutionary impulse, had the force to take up again the historical thread of the Italian Revolution. If the Bolshevik upheaval was one of the dangers which threatened Italy after the war and the victory, another was the conservative political involution. It was necessary to find the way toward the future, between upheaval and conservatism. Signor Mussolini presented himself to take up again our revolutionary tradition, which was turned aside in the last years of the Risorgimento and has only today translated itself into institutions and laws.

Thus, the bases of the new order, which is being realized step by step, were suggested even before the March on Rome by the Chief, who, while he battles and strives, radiates in all directions his creative thought. Let us consider Signor Mussolini in the formation of the corporative State. The inflexible constructor of today is already fully manifest in the discourse to the workmen of Dalmine in March 1919. u You act in the interests of your class, but you have not forgotten the nation You have spoken of the Italian people, not only of the metal workers, to whose category you belong". The Minister of Corporations who, in preparing the Charter of Labour, sets before the representatives of the Syndicalist Associations the fundamental principle that " there must be equal rights for all social classes, " and in the Charter itself states that there is " judicial equality between employers and workers, " echoes the noble words pronounced eight years before: " You are not the poor, the humble, the rejected, according to the old phrases of literary socialism; you are the producers, and it is as such that you assert your right to treat with industrialists as peers with peers ".

However, in speaking of the corporative State, it must not be understood as meaning only all that pertains to the relations between employers and workers - relations based on a principle of collaboration rather than upon a struggle of classes. Fascism with its new arrangements aims at a more complex end. This, summed up in a few words, is " to reassert the sovereignty of the State over those syndicates, which, whether of an economic or social kind, when left to themselves broke out at one time against the State, subjecting the will of the individual to their own arbitrary decision, almost assuming the rise of judicial provisions alien to the legal order of the State, opposing their own right to the right of the State, subordinating to their own interests the defenceless classes, and even the general interest, of which the State is naturally the judge, champion and avenger ".

In this way, having as a solid basis the principle of functional subordination of the Associations to the State, the corporative arrangement, as it progresses by degrees proves itself to be the foundation of the high political structure. From what was a sectional, quarrelsome, monopolistic, internationalist syndicalism. Fascism has been able to evolve and develop elements of solidarity, of discipline and force, creating a new constitutional system. A reversal of values appears in this process: Fascist syndicalism is the opposite of that which existed before Fascism, for pre-Fascist syndicalism was against the State, and Fascist syndicalism submits to the State.

That is not to say that pre-Fascist syndicalism had no justification. The liberal State was incapable of appreciating the good which it contained, or that which was of historical or human interest in it. The liberal State took its stand on

the rights of the individual an idea too elementary in the face of new judicial needs. The tragic error of liberalism, from which arose with all its violence the phenomenon of class justice, came about by having admitted the working classes to political rights without assuring them parity of contract, that is, equality of civil rights.

Now it is not necessary to adore the masses, but they cannot be repulsed or ignored. " We have had to accept syndicalism, and we do so, "declared Signor Mussolini at Udine on the eve of the March on Rome. " Only with the masses, which have a place in the life and history of the nation, shall we be able to make a foreign policy. " A splendid, clear intuition! In all countries the power of the masses tends to shift from domestic to international politics. The example of the Pan- American Congress of Syndicates, held at Washington in 1927, is sufficient to illustrate this.

Fascism, then, not only does not remain in ignorance and fear of the values and the forces which arise from certain tendencies, but recognizes, disciplines, and organizes them for the supreme ends of the nation and the State, which thus gathers into its ethical and political sphere all social life, that is to say all social and economic forces at work among its citizens, endowing them with its ethical and political spirit. At this time, therefore, when we want to define the Fascist State, and distinguish it from other forms of States, we say that it is a corporative State. Such a definition, however, may appear anything but clear, unless our conception of the corporative State is accurately explained.

Although, as I have indicated elsewhere, the adjective " corporative " has become one of common acceptance and has found its way into political as well as into scientific language, nevertheless the idea which it contains, and by which it is inspired, is only slowly becoming clear and revealing its content. At an earlier time, by " corporative " was understood all that which regarded the relations between employers and workers, from the point of view of collaboration rather than of conflict between classes. The word thus had a limited application and was not given its full meaning, which is of an eminently political and legal character.

This character has not been, and is not always considered, and so confusions and mistakes arise. For instance: before the passing of the law of April 3rd, 1926, no. 563, there existed in Italy a national syndicalism, an emanation of Fascism inspired by the ideas of collaboration, but it certainly would not have been correct to speak of a corporative State.

This was begun only when the State stepped in to discipline the associations of producers, and elevate them to a legal status, to assign to them their character as legal organizations, and to give them special representation which permitted them to stipulate collective labour contracts and to impose contributions on their own members. It is thus clear that the meaning of the word " corporative " must be sought only in the legal regulations by which the Fascist State has realized itself as a concrete example of a truly sovereign State, containing fully in itself the civil society of which it is the form: an accomplished unity in which the said society exalts itself and attains its own perfect autonomy.

Although from an analysis of the principles which underlie Fascist legislation concerning the recognised syndicalist associations, (from the law of April 3rd, to the more recent law relative to the National Council of Corporations), we can use the word " cooperative " in a scientific and rigorous sense; even so the same word is not quite clear until we explain the legal principles which govern Fascist cooperative legislation. If it is true from a technical point of view that a law must find in itself the justification for its own imperative force and for the limitations of the rules contained in it, it is also incontestable that the interpretation of the law cannot be other than systematic and historical.

But, because of its historical character, the principles of a judicial system always resolve themselves into the

manifestation of a higher idea that of the State, which is of an eminently political nature; therefore it is evident that to get an exact idea of the meaning of the phrase " corporative State," which is commonly used to define the Fascist State, it is necessary to look to the ends which this State has in view as the fundamental motives of its action. The Fascist State, to one who studies it with such intention, reveals itself as an organic complex, moved by a will that is determined by an admirably logical theory. Moreover, it is not a difficult matter to identify the aims of the Fascist State, since this State, unlike others, defined itself in the declarations contained in the " Charter of Labour which is therefore a document indispensable for its comprehension.

It is of no importance that some persons, still dominated by a spirit of faction, have found in the "Charter" nothing but a collection of aphorisms, while others, possibly in good faith, have discovered in it merely some enunciations of an explanatory or axiomatic character. The truth is very different. As it would be an error to deny the political and historical value of the Declaration of the Rights of Man and of the Citizen, formulated by the French Revolution, so it would be an equal error not to see in the " Charter of Labour " the most solemn political assertions of the Fascist State, which tends to realize in itself the moral, political and economic unity of the Italian nation. And here economic unity is conceived as being inseparable from the national interests and their aims, namely the well-being of the producers and the development of the national life. Having fixed in their general outline the aims of the Fascist State, we pass on to various observations: first of all, in no other State is economic unity realized as it is in the Fascist State, which in this sense manifests itself as the most complete type of State. If the liberal State marked a progress in comparison with the absolutist regime, in so far as it performed its historical function of admitting the bourgeoisie who had been kept outside till then, the Fascist State is still nearer to perfection, since it has brought under its sovereignty those economic forces, workers as well as capitalists, which were not only without legal discipline, but which acted against the State. In this manner the State received shocks from within as well as from without, both from the capitalists who aimed at subjugating it, and were ready to associate themselves with international plutocracy, and from the working classes who were urged on by socialism to overthrow the State and were leagued with an internationalism which denied the patriotic ideal.

Hence the crisis of the modern State, which could have been met only by means of a political, moral, and economic unification of society in the State, or of society which makes itself one with the State. This, then, is the achievement of the Fascist State, in which there are no individuals or groups of individuals which it does not recognize, subordinate and regulate, according to its aims. At this point, however, it is important to understand that if society in the Fascist State has accomplished its own unification and has raised itself to a higher grade, this does not imply a social levelling, which would be quite as harmful as the disintegration which previously threatened public safety and weakened the organism of the State.

The most difficult task of the Fascist State was not to oppose the distressing consequences of the liberal regime, but to find the best way in which authority could assert itself without suppressing liberty, and without thereby running the risk of destroying itself. Turning to the question of economic unity, we may say that it would have been very inconvenient, and would have constituted a dangerous illusion, to attain this without understanding the reasons for the syndicalist organization which is closely related to the production and distribution of the wealth created by modern capitalism. This error, however, was not easy to avoid, considering the aberrations to which syndicalism had abandoned itself, especially in the period following the war, when it was transformed from an economic instrument into a purely political weapon of offence against even the most sacred ideals of civilization. And thus, when liberalism inexorably had to destroy every form of association, it did so essentially by means of a system of castes, similar to the ancient and noble medieval corporations of arts and crafts, from which outsiders were excluded and in which all free activity was prohibited.

The Fascist State, endowed with a spirit eminently political, and therefore realistic, and animated at the same time by the firm resolve to put itself on a legal basis, had to find the occasion for the reconciliation between social forces

and its own sovereignty, in the legal recognition of the forces themselves. It had to act so as to have in its presence only individuals and groups whose position had been declared legal: individuals thus acquired the character of citizens, and their groups, the character of " juridical persons, " - legal associations. In short, existing syndicates had to become legal syndicates, and the Fascist State has accomplished this.

Let us now see what is the precise legal position of these recognized syndicalist associations. They are, in the first place, regarded as "juridical persons " active and passive at the same time, that is to say, having both rights and duties. They have rights, not only over their members, but also over all those who are in the categories to which their members belong, inasmuch as the recognized association has by law the right to levy contributions both on those inscribed and those not inscribed, and to represent them in regulating the conditions of labor. The recognized associations have duties, because, having the ** jus* imperi " as " juridical persons, " they must render account to the State for the manner in which they conduct themselves in the spheres of action assigned to them. Since they are recognized as having legal personality, it follows that the recognized syndicates are no longer outside the State, but within the State; there is now only one, and not, as before, many syndicates for each category; they are no longer against the State, or indifferent to it, but are at its service. In other words, if the syndicates are recognized, they have a right to life and liberty of action, but this liberty does not go beyond a certain limit which is determined by the interest of the other incorporated bodies, and particularly by the general interest. This latter constitutes a legal limit which becomes, like all similar limits, a legal duty - preeminently a legal duty in the eyes of the State, which is the guardian "par excellence" of the general interest.

The syndicate, finally, with regard to its own members, has not only the power of representation and of levying contributions, as has been said, but has besides these duties which range from the guardianship of economic and moral interests to the assistance even of non-members and to the moral and national education of both. Each recognized syndicate therefore gives unity to its own category of producers, represents, protects, assists and educates them morally and nationally; and in this unification it keeps ever present the two inseparable aims: the well-being of its category, and the development of national power. But those whom the recognized syndicates represent are not mere citizens; they have the legal and moral character of producers; their position is not simply that of subjects before the sovereignty of the State, but more specifically that of passive " juridical persons. " There is a double reason for this: first, in the eyes of the State their duty is to work, and, second, they are responsible, in the case of certain undertakings, for the direction of production, even if it is private, because the private organization of production has been declared to be a matter of national interest, or what is the same thing, of interest to the State.

Thus, we reach the federations and the confederations of employers and of workers, organisms which trace their origin to the fact that all categories of producers are bound together by their relations with other categories, while the resulting groups are joined with others in still larger combinations, by the interests they represent, and by the territorial district in which they act, where they assert their common economic activity and labour in some special branch of production. The organization of the producers thus reflects what is commonly called " the law of the division of labour, " which from another point of view reveals itself as a law of the unification of labour. Among the recognized syndicalist associations, both of the lower and upper grade, federations and confederations, there also exists a complexity of relations in which representation, protection, and syndicalist assistance reach their highest development, especially when the legal limits of each sphere are kept distinct. When the syndicalist order is considered merely in its vertical structure, the functions of protection and of assistance stand out in special relief; and when one recognized syndicate cannot oppose another of employers or of workers in the same productive category, it tends to become an instrument of economic perfection for its own members. As the recognized syndicalist associations are of two sorts for each branch of production, one for employers and the other for workers, the distinction cannot result in separation, nor must it produce strife, inasmuch as the Fascist State, as an organic and sovereign State, admits competition, but not any violent clash of social forces.

We come now to the relations of employers and employees. These are regulated between the different categories by collective contracts, which have binding force over all those who belong to the same categories whether they are enrolled in the syndicates or not. On the other hand, controversies which may arise between the said categories, respecting the application of collective contracts or of other existing regulations, or requests for new conditions of labor, must be settled in a conciliatory manner by the recognized associations of superior grade and by the coordinating agencies, or, if conciliation fails, by the Magistracy of Labour. As a legal consequence of this principle, strikes and lockouts are forbidden by law and are legal offences.

The object of all this is to regulate the conditions of labour. But it is clear that a syndicalist order thus established, while arranging for the relations of the syndicates which are distinct from one another yet united into their categories, did not arrange for the equally essential coordination of all the categories grouped in federations and confederations, in order to obtain equal conditions of labour and the even more important unitary organization of all forces of production, consequently, national production itself. It was a grave problem, yet the coordination of all the recognized syndicalist forces was attained by the creation of the National Council of Corporations, an organism whose tasks are closely connected with the character of the corporative function.

This function must be kept in mind before we outline the tasks mentioned above. If the State had not foreseen, as far back as the publication of the law of April 3rd, 1926, the need for coordinating agencies between the associations of employers and workers, and if, afterwards, in the regulations for the application of the same law, it had not given them the name of corporations, it could not have called itself a corporative State. The recognition of the syndicates, the legal institution of collective contracts, that of the Magistracy of Labour, the legal prohibition of strikes and lock-outs, while being achievements profoundly original, and much to the credit of a political regime, could not certainly have given to the Fascist State that peculiar character which differentiates it from every other State. Its composition would have been exclusively syndicalist and nothing more.

The distinction, therefore, between syndicalism and corporatism, although one is completed by the other, is clear and profound, and to neglect it would be a source of equivocation and of misunderstanding. It is a distinction both of organs and functions. While the recognized syndicalist associations are "juridical persons," the corporations, on the other hand, are organs of State administration. So, while the syndicalist function is strictly connected with the syndicates, the cooperative function belongs only to the State. By its corporative activity the State acquires a new and typical function which, though it may seem to be a part of its administrative function, yet constitutes at least a very special phase of it

The recent law of the National Council of Corporations was the object of important and lively discussions before the two Houses of Parliament, in the last sittings of March. That which took place in the Chamber of Deputies was almost exclusively syndicalist and centered chiefly around the question of the number of representatives each category was to have in the body of the Council and its sections with particular reference/ to the problem of the equality of relations between the syndicates and the National Council, and with some reference to the syndicalist autonomy or autarchy. In the Senate, the debate tackled two questions which might almost be called the two unknown quantities in the constitution of the Council: that is to say, the position of this organ in the constitutional system and its relations with the other constitutional organs of the State. The powers assigned to the Council in economic matters were also examined, its eventual relations with the cooperative economy, the effects which the action of the Council would produce on the national economy, and the general outlines of all the political economy of Fascism

Two questions were proposed to the Chamber, and of these one was proposed again to the Senate: Can the Council of Corporations formulate regulations which are contradictory to the existing laws of the State? In the future, will Parliament be able to issue laws regulating collective economic relations among the various categories of producers,

or relations between employers and workers? The answer cannot be other than negative for the first question and affirmative for the second. Such questions might have had some meaning at the time of the discussion of the law of January 1926, which dealt with the problem of the regulations between the executive power and the legislative power; but they were not raised then, nor when the constitutional character of emergency decrees (Decreti Legge) was treated. The principle of the superiority of the legislative regulations over other juridical regulations was never questioned by Fascism, because it responds to the essential need of every legal organization, namely, the definition of its agencies. The idea of a conflict between these agencies is repugnant to the Fascist conception of the State, considered as an organic unity. As the syndicate disciplines professional activities in view of the national interests, and the corporation disciplines the relations between category and category in view of those interests for which it is constituted, so the National Council disciplines the interests of the categories with a view to the national prosperity, while Parliament, finally, intervenes in view of the political interests of the nation.

Neither can all the interpretations of the corporation in the economic order be accepted. Both from extreme corporatism and from the guardians of private initiative come some errors of interpretation. The National Council should, according to them, represent the advent of a new economic regime, the regime of cooperative economy. But this economy was born with the law of April 3, 1926, if by cooperative economy one means the economic regime advocated by Fascism. It has existed since the time when Fascism, renouncing the attitude of State indifference to economic facts, assumed the function of regulator of the economic life of the nation. On the other hand, an impartial examination of Fascist legislation on syndicalism dissipates the fear of those who dread the suffocation of individual economies. Some provisions of the law, in fact, represent in a certain sense not an amplification, but a limitation, of State action in economic matters. One can then tranquility refute the opinion of those who see in cooperative economy a regime for stabilizing prices. And to dispel every doubt, an examination of that law ought to suffice, especially as regards the composition and the functioning of the Council. It is clear that the Council's field of activity is exclusively that of the categories of producers represented in it: both workers and employers, under the guidance of the Head of the Government, the high regulator of national interests.

Also, paragraph 3 of article 12 of the bill prefacing the regulation of collective economic relations, has given rise to the erroneous statement that the Council, in carrying out this function, adopts provisions as delegate of the interested associations. Now it must be remembered that if these associations have the power to make regulations about collective relations of labour, they have none at all over the regulation of collective economic relations. They cannot then delegate faculties which they do not possess; those faculties belong, instead, to the Corporations.

These faculties can be exercised only after the decisions of the syndicalist associations which express the will of the producers, and thus are not the expression of a coercive will of the Council. Thus, a real economic self-discipline under the laws of the State is attained: the individual interest operates through the will of the professional associations, the interest of the professional associations through the corporations, the interest of the corporations through the Council. Here is in fact an economic hierarchy by means of which every desire is realized through the one immediately above it. This organization is that which responds most perfectly to modern tendencies in economic matters. The Fascist State does not intervene in business matters but coordinates them on common lines. And it is a conception that reverses the ideas of socialist theory and at the same time transcends those of the liberal system.

In conclusion: the Fascist State may be denned as a State of syndicalist composition and corporative function, since as a truly sovereign State, it seeks to be adequate to the civil society which makes up its structure, and as a State with aims of its own, distinct from those of civil society, it has as its permanent object, to create, by means of its own action, and to achieve the moral, political, and economic unity of the Italian nation. This being its character, the Fascist State solves the crisis in which the modern State is struggling. The reconstruction of the State on a solid basis could only take place by the elimination of the long-standing disagreement which was its bane, and by the imposition of order on the economic forces which threatened its existence. Only the cooperative principle which

affirms the ethical-political will of the State, and the dignity as well as the political legitimacy of economic interests, could inspire this reconstruction, since the preeminence of the State is not the dead weight of an authority which avails itself of its power and legal weapons but is the preeminence of the ethical will which does not consider social forces from without, but penetrates into them, brings them into itself, and so gives concrete and true value both to the State and to social forces, both to politics and to economy.

Accurate investigation and careful study tell us that modern history is tending to the corporative conception of the State, to the inclusion of economy in the State, to the identification of politics with economics. But one might ask why it is in Italy, where economic forces were less powerful and less highly developed than elsewhere, that the need for facing and solving the problem has been felt? The question is interesting, and it is that which has obliged us to define the historical meaning of Fascist corporatism, that is, its significance in Italian life, leading us to recognize the identity of the Fascist State and the corporative State.

Fascism is the maturing of the unitary spirit of the Italians, the forming of that unitary political conscience which is the true basis of the State. Ever since the territorial unification of 1870, the State had been regarded by the citizens as alien to them, not only by the working classes, who, therefore, became easy prey to socialist doctrinaires but also by the middle classes, who produced the leaders of the socialist movement. But with the Fascist Revolution, the State has become the rule, the limit, the guide of the Italians in the realization of their ends.

The weak political conscience, due to the recentness of the unification of the State, and the difficulties of our economic life, gave us special reason to fear the dangers inherent in the contradictory structure of the modern State. Fascism, therefore, in giving the Italians the State which is the true expression of their national personality, has, by the genius and intuition of Benito Mussolini, constructed a State which satisfies all the exigencies of modern life. A Fascist State which should gather together all the forces and all the tendencies of national life and direct them towards the ideal of power which inspired the Revolution, could be no other than the State which reflects the living conscience of the people, which holds the threads of all social life, which is present in every aspect of social life, which brings together and orders all forces and all interests: such a State could be no other than the corporative State, a noble reality which advances towards the secure future of the country."

By Engelbert Dollfuss

Source: Thoughts on Corporatism

“We want to do away with class warfare. We want to accustom our people again to the idea of vocational solidarity, vocational rights and duties. The idea that master and man, the so-called employer and employee, are in opposition to each other must disappear. They must learn that they belong to each other, that they must collaborate harmoniously in human society for their mutual good and for the good of the community as a whole.

Anyone who speaks of "estate" or corporation, and thinks that it means an employer's organization, a new political Front, misuses the word corporation. A corporation is not only an organization of the employers, rather it is an organization of all those who owe their existence to one particular trade or profession. Evidently the cooperative idea recognizes the authority of the master in the trade or craft, for it is he who ultimately bears the economic risk. But the conception also requires that the apprentice and the craftsman should be recognized as colleagues and as men, that ultimately they should also be partners in the business. Apprentice and craftsman should have an interest in the thriving condition of the business...For a man his place of work should be his home once more. For this it is before all things necessary that the employer should feel it is his duty to conduct himself as a man that his fellow-workers will feel themselves to be men in their relations with him.

From the various trades and callings will be chosen those who are to assist in the public administration. That man will prove to be the best administrator in public life who is most conscientious in the discharge of his own business duties or office. Each must in the first place enjoy the confidence of his fellow-workers, who are in a position to form the best judgment of him. From the various groups the corporations will be formed, and these will act in the federal and provincial administration.

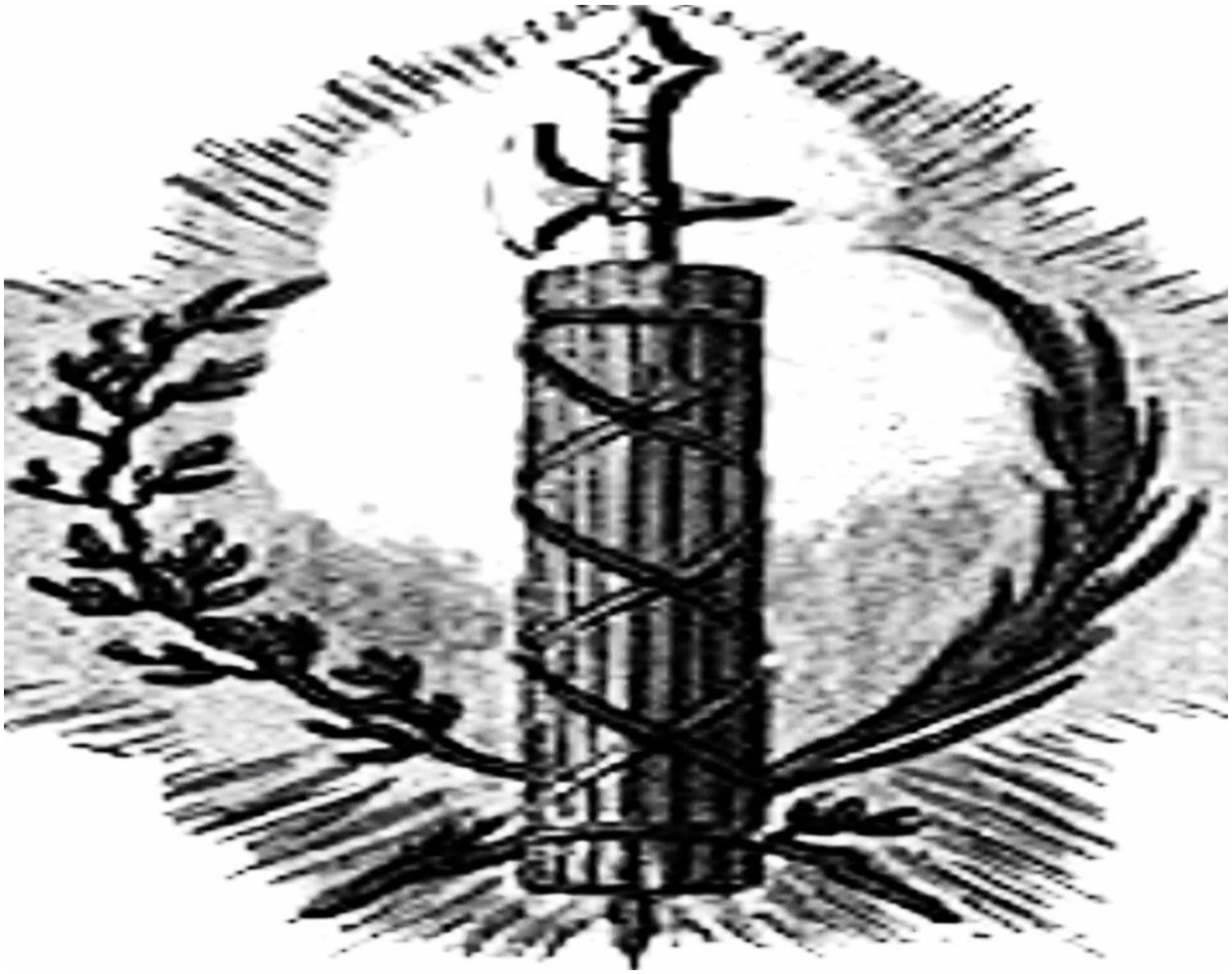
The cooperative structure does not mean organization of employers, but the representation and cooperation of all those who gain their livelihood in the same calling. The peasantry of Lower Austria will be the first, probably, soon to assume a really corporative form which will include every employee and every domestic servant. Thus a clear answer will be given to those various groups of workers who are wondering whether they are going to receive any consideration in the new order of things. Whether they will come into their own again. Every worker, whatever be his calling, his trade or his profession, must believe that in the new form of government, which will have nothing in common with demagogic parliamentarianism, all workers within their respective vocational groups are called, and must be called to cooperate and to have a voice in the administration.

If we regard men's relation to one another from a purely materialistic point of view, then there can be no quarrel with the statement that life is conditioned and determined by the relation between employer and employed, by the opposition of classes. Men must be brought closer to one another by human contacts and by mutual consideration, so as to make life more worth living for them...Unless we realize that the whole economic structure is intended to serve the interests of men and that men are closer to each other than they are to things, we shall never make our people a happier one. We want to serve the cause of peace in human society, and I am one of those who believe that the association of men according to their calling, the common task, the common workshop, does more to unite men together than any external or formal bond...Unless we are able to bring masters, men and apprentices closer to each other as men, unless we are able to convince them that as men they are economically and socially bound up with one another, and that each must have consideration for the others, unless we can make workers feel once more at home in the place where they work, then the formal and legal provisions of the Constitution will remain only on the surface and we shall have rendered no service whatever to mankind or to our nation.

In his own trade or calling a man will not be a mere cipher; he will be considered and treated as a man. The cooperative conception gives rights and duties to the master as well as to the servant... We must realize that work welds men together. In the peasant's cottage, where after working together during the day farmers and servants sit down together in the evening as a common table, take their soup from a common bowl, you have true vocational solidarity, the cooperative conception. And the relation between them is still further ennobled. If after the day's work is done they kneel down to say the rosary together. We must arouse again in us this feeling of solidarity. Only thus shall we banish from our people the Marxian idea of a necessary antagonism between the worker and the employer.

I hope that the time will soon come when workers and employers will organize social life on vocational lines. We want provision to be made in each trade or calling for libraries, common games, sports vocal societies and especially for common recreations in industrial districts. What they call in Italy Dopolavoro should become an institution in this country. Then we shall take not the stirring up of dissension among men, that makes everybody happy and content. We shall not only be concerned with material rights and claims; we intend to create a State of things which the worker will have a higher dignity.``

My Own Thoughts



Corporatism is an economic system which sees every economic factor, labor and capital, unified into a single reality. Both coordinating each other for the benefit of the totality. Under Corporatism, Employers and Employees will be organized into syndicates, each syndicate containing each group's elected representatives from their particular industry and vocation. These two syndicates will then be tied together under a central organ titled a “Corporation” -- Hence the name. Within these Corporations, the representatives of both would coordinate economic activity, put terms of labor, set wages and control prices through the exercise of regulations. Even possibly implement profit sharing if decided upon to do it or freeing up the market. This is simply how flexible Corporation can be.

This System Serves Three Purposes

- It will unify the classes, and destroy the Marxist and Capitalist class struggle.

- Secure that the economy stays unified with state interests, and that any anti-social behavior within business circles are rooted out, either by punishment or restrictions.

- The restoration of the Natural Order and Natural Law, being natural hierarchy, traditional rejuvenation, and the glorification of Christian morality as our bedrock.

Corporatism is collectivist; but is a different version of collectivism than Marxism. It places importance on the fact that private property is not nationalized, but controlled through regulation. Corporatism unfortunately is not a familiar concept to the masses in the general public, the categories of Marxism and Capitalism are virtually empty to the people including the nation-state. Most of the economies in nations that do well in the world are actually corporatist in nature today, such as the social democratic regimes of Europe, but also the East Asian and Islamic fundamentalist regimes such as Taiwan, Singapore and Iran. The Islamic socialist states like Syria and Algeria who're more corporatist than socialist, as was Iraq under Saddam Hussain and Libya under Gaddafi. The South Korean government under the General Park Chung-Hee dictatorship that was responsible for the Miracle of The Han River. The formerly communist regimes such as Vietnam and China are now clearly corporatist in economic philosophy although not in name.